

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6229

BILL NUMBER: HB 1151

DATE PREPARED: Nov 8, 2000

BILL AMENDED:

SUBJECT: Full day kindergarten grants.

FISCAL ANALYST: Chuck Mayfield

PHONE NUMBER: 232-4825

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill provides a grant to each school corporation that offers a full day kindergarten program. It provides that the amount of the grant is equal to the additional amounts a school corporation would have received for tuition support, the growing enrollment adjustment, the at-risk grant, the transportation distribution, and the primetime distribution if each full day kindergarten student were counted as one pupil rather than one-half pupil for purposes of the distribution formulas.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The total grant that would be associated with this bill would depend on the number of the school corporations that would implement a full day kindergarten program. An estimated 9,560 kindergartners are currently enrolled in full day kindergarten programs. These school corporations fund the second half day of kindergarten either through their general fund, with state at-risk monies, with Federal Title I monies, or by charging tuition. The statewide population of all kindergartners enrolled in public schools was 70,921 for the 2000-2001 school year.

The following table shows the additional impact of paying the grants under two scenarios: 1) Limited Impact: if only those students who are currently enrolled in a full day program receive this grant and 2) Full Impact: if all 70,921 students would receive this grant because they are all enrolled in a full day program.

	<u>Limited Impact</u>	<u>Full Impact</u>
State Regular	\$11,062,591	\$107,895,705
At-Risk	\$444,512	\$1,852,079
Growing Enrollment	\$3,459,392	\$5,816,155
Primetime	\$427,287	\$1,170,926
Transportation	<u>\$246,652</u>	<u>\$2,075,000</u>
Total Costs	<u>\$15,640,434</u>	<u>\$118,809,865</u>

Explanation of State Revenues:

Explanation of Local Expenditures: Added expenditures will depend on the number of school corporations that actually would adopt full time kindergarten.

Estimates of the **costs** of expanding full day kindergarten for all children who attend kindergarten in public schools range between \$78 M and \$110 M under the Full Impact scenario. These costs do not consider the costs associated with the kindergartners who currently attend full day (9,560) and consider only those 61,361 kindergartners who currently attend a half day ($70,921 - 9,560 = 61,361$) and the potential students who do not currently attend kindergarten in public schools but attend first grade in public schools (10,000). The added costs include teachers, classrooms, transportation, utilities, and custodial maintenance.

Some school corporations may decide to locate their full day kindergarten programs in centralized facilities and may need additional administrative staff. Based on a statewide survey conducted by the Department of Education, the number of school corporations that may need additional administrative positions is estimated to range between 20 and 35 as full day kindergarten is implemented statewide. The added costs associated with these administrative positions could range between \$1.5 M and \$2.3 M.

Explanation of Local Revenues: See Explanation of State Expenditures.

State Agencies Affected: Department of Education

Local Agencies Affected: Local School Corporations

Information Sources: Department of Education Databases